

ORDINANCE NO. 01-402

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF LOS ALTOS AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

The City Council of the City of Los Altos does ordain as follows:

Section 1.

That an amendment to the contract between the City Council of the City of Los Altos and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit A, and by such reference made a part hereof as though herein set out in full.

Section 2.

The Mayor is hereby authorized, empowered, and directed to execute said amendment for and on behalf of the City of Los Altos.

Section 3.

This Ordinance shall take effect immediately as an urgency measure, and prior to the expiration of 15 days from the passage thereof shall be published at least once in the Town Crier, a newspaper of general circulation, published and circulated in the City of Los Altos and thenceforth and thereafter the same shall be in full force and effect. This Ordinance is to take effect immediately so that the City can meet existing obligations of written agreements with City employee associations and to ensure labor peace, all for the benefit of the public health, safety and welfare.

The above ordinance was duly passed and adopted at a regular meeting of the City Council of the City of Los Altos held on Tuesday, July 17, 2001, by the following roll call vote:

AYES: Mayor Lear, Councilmembers Casto, La Poll, and Moss
NOES: None
ABSENT: Councilmember Becker

Attest:


CAROL SCHARZ, CITY CLERK


KING LEAR, MAYOR



California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Los Altos

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective July 1, 1960, and witnessed May 19, 1960, and as amended effective August 1, 1964, April 1, 1966, July 1, 1970, October 24, 1974, October 1, 1977, January 1, 1978, July 1, 1981, December 1, 1981, June 1, 1984, January 1, 1986, November 14, 1986, November 14, 1986, November 1, 1987, June 14, 1995, June 13, 1997 and August 14, 1999 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 14 are hereby stricken from said contract as executed effective August 14, 1999, and hereby replaced by the following paragraphs numbered 1 through 15 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members and age 50 for local safety members.
 2. Public Agency shall participate in the Public Employees' Retirement System from and after July 1, 1960 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Local Fire Fighters (herein referred to as local safety members);
 - b. Local Police Officers (herein referred to as local safety members);
 - c. Employees other than local safety members (herein referred to as local miscellaneous members).
4. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
 - a. **SLEEPER FIRE FIGHTERS AND SCHOOL CROSSING GUARDS HIRED ON OR AFTER OCTOBER 24, 1974.**
5. Prior to January 1, 1975, those members who were hired by Public Agency on a temporary and/or seasonal basis not to exceed 6 months were excluded from PERS membership by contract. Government Code Section 20336 superseded this contract provision by providing that any such temporary and/or seasonal employees are excluded from PERS membership subsequent to January 1, 1975. Legislation repealed and replaced said Section with Government Code Section 20305 effective July 1, 1994.
6. Public Agency and the Los Altos County Fire Protection District have agreed to a merger of their contracts, and this contract shall be a continuation of the benefits of the contract of the Los Altos County Fire Protection District, pursuant to Section 20567.5 of the Government Code. Such merger is effective as of July 1, 1960. Legislation repealed said Section effective January 1, 1988.
7. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
8. The percentage of final compensation to be provided for each year of credited prior and current service as a local fire member shall be determined in accordance with Section 21362 of said Retirement Law (2% at age 50 Full).
9. The percentage of final compensation to be provided for each year of credited prior and current service as a local police member shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full). The required member contribution rate is 9% of reportable compensation.

10. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 21571 (Basic Level of 1959 Survivor Benefits) for local fire members only.
 - b. Section 21024 (Military Service Credit as Public Service), Statutes of 1976 for local miscellaneous members and for those local safety members entering membership on or prior to November 14, 1986.
 - c. Section 20965 (Credit for Unused Sick Leave).
 - d. Section 20475 (Different Level of Benefits Provided for New Employees), Section 20042 (One-Year Final Compensation) and Section 21024 (Military Service Credit as Public Service) are not applicable to local fire members entering membership after November 14, 1986.
 - e. Section 21573 (Third Level of 1959 Survivor Benefits) for local miscellaneous members and local police members only.
 - f. Section 20042 (One-Year Final Compensation) for local miscellaneous members and for those local police members only entering membership on or prior to November 14, 1986.
11. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on October 1, 1977. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
12. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
13. Public Agency shall also contribute to said Retirement System as follows:
 - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21573 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members and local police members.

- b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
14. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
15. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the 22nd day of July, 2001.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

City Council
City of Los Altos

BY _____
KENNETH W. MARZION, CHIEF
ACTUARIAL & EMPLOYER SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY *King Dren*
PRESIDING OFFICER

8-1-01
Witness Date

Attest:

Carol Schary
Clerk